Congress of the United States

Washington, DC 20515

January 22, 2010

The Honorable Lisa P. Jackson The U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, NW Ariel Rios Building, Suite 3000 Washington, D.C. 20460

Dear Administrator Jackson:

Thank you for the strong leadership you have shown in protecting the natural environment and health of our communities. We write to you today regarding the Environmental Protection Agency's pending regulations pertaining to coal ash. We have received some very thoughtful comments from Kevin B. Marsh, President and CEO of South Carolina Electric & Gas Company (SCE&G) that we wanted to bring to your attention. Mr. Marsh's letter is attached, and we would ask that you please include it in the public record.

SCE&G is a SCANA company and is the largest natural gas and electric energy provider in the state of South Carolina, serving approximately 654,000 electric customers and providing natural gas to more than 300,000 citizens. Its service territory covers a 23,000-square-mile area, stretching from the Lowcountry up through the Midlands to the Piedmont region in the Upstate. Importantly, through 14 power plants in the state, SCE&G employs more than 3,000 workers in South Carolina.

We understand the enormity and complexity of the task before you. We hope that Mr. Marsh's views will help inform your decision making as you move forward. We very much appreciate your service and look forward to working together to implement President Obama's environmental priorities.

With kindest regards, we are

Sincerely yours,

James E. Clyburn
Member of Congre

Member of Congress

ohn Spratt

Member of Congress

Cc:

Rahm Emanuel Chief of Staff The White House 1600 Pennsylvania Ave Washington, DC 20500 Cass Sunstein
Administrator
The Office of Information and Regulatory Affairs
The Office of Management and Budget
725 17th Street, NW
Washington, DC 20503



January 15, 2010

The Honorable James E. Clyburn U.S. House of Representatives 2135 Rayburn HOB Washington, DC 20515-4006

The Honorable John M. Spratt, Jr. U. S. House of Representatives 1401 Longworth HOB Washington, DC 20515-4005

Dear Congressman Spratt and Congressman Clyburn:

I am writing regarding the imminent EPA regulations pertaining to coal ash and to ensure that you know of SCANA's strongly held view that coal ash should not be regulated as a hazardous waste. Our company produces about 800,000 tons of coal ash per year. Only about 40 percent of the ash is sent to disposal facilities. Approximately 60 percent (or 480,000 tons) of the ash we produce is "recycled" in an environmentally responsible way for use in the cement making process and for use as a cement substitute in making high quality concrete for roads and buildings. The beneficial reuse of coal ash in concrete and other products is a sound and safe environmental practice. Also, the beneficial reuse of coal ash in concrete offsets the need to use cement, and offsets the environmental impacts (e.g., energy consumption, GHG production) resulting from the cement manufacturing. For each ton of ash used to make cement, .8 tons of GHG emissions are avoided. Importantly, the chemical make-up of the ash is stabilized, and even though it already has been determined by EPA twice in the past to be non-hazardous and safe for non-hazardous waste handling, when incorporated into concrete, it is made even safer and for all practical purposes rendered unavailable to the environment.

Were coal ash to be regulated as "hazardous," burdensome regulatory procedures would be imposed on utilities to certify not only their safe use of coal ash, but also every end user's use as well. End users, such as cement manufacturers, likely would tend to avoid the additional responsibility and cost and thus reduce their demand for coal ash. Ironically, this would result in more coal ash requiring disposal, and less being used for beneficial purposes. Further, it would even undermine the use of coal ash in the construction of LEED certified buildings, which currently depend upon it to achieve their "green" rating certification. Finally, regulating the ash as hazardous would trigger new DOT hazardous materials transportation policies. Transportation costs would increase, which would also contribute to a reduction in commercial demand.

The professionals who manage the ash at SCANA view themselves as strong environmentalists in the recycling industry. Utilizing the ash beneficially, consistent with strict environmental standards for GHG emission reduction, makes far more sense than storing over twice as much in disposal sites. Our staff works with responsible entities to recycle this material into applications that will not create future environmental issues.

SCANA presently does store its non-recycled ash in designated ponds and landfills which are regularly inspected pursuant to state and federal standards for structural integrity. In order to prevent any environmental hazard, SCANA currently utilizes best practices in storm water control, and manages its coal ash sites in compliance with all state and federal regulations. In fact, SCANA has never had any failures of the structural integrity of the ponds and has an unblemished safety record in this area.

In summary, the present beneficial use of coal ash offers extraordinary environmental and economic benefits without harm to public health and safety. For over 20 years, SCANA has made it a priority to employ best industry practices in the proper management of its coal ash and coal ash storage facilities. I urge you to please contact EPA Administrator Jackson as soon as reasonably possible and notify her of our company's concerns, and to ensure the EPA fully considers the beneficial uses of coal ash when it issues its regulations.

Sincerely.

Kevin B. Marsh